

**MINUTES
STATE BOARD OF FINANCE
JUNE 19, 2012
OFFICE OF THE OMB
STATE HOUSE ROOM 215A**

Members in Attendance:

Tim Berry, Auditor of State
Richard Mourdock, Treasurer of State

Also in Attendance:

Jay Collins, SBA Deputy Director
Kirke Willing, Deputy Auditor
Melissa Ambre, Department of Education
Teresa Hemmerle, Department of Education
Kathy Frick, Auditor's Office

CALL TO ORDER

The meeting was called to order by SBA Deputy Director Jay Collins.

APPROVAL OF MINUTES

Treasurer Richard Mourdock moved to approve the minutes from the May 15, 2012, Meeting, Auditor Tim Berry seconded, the minutes were unanimously approved.

INDIANAPOLIS DESEGREGATION DISTRIBUTIONS (17840/11300)

A request was made by the Department of Education for the Desegregation distributions to the following Indianapolis School Corporations effective July 2, 2012. The July quarterly installment for desegregation represents one-fourth of the estimated expenses for 2011-2012 and totals \$4,750,854.06. These claims were submitted by four public school corporations under the Order. Transfer tuition comprises \$2,956,655.41. The residual, \$1,794,198.65 is transportation, other desegregation costs and transition support.

<u>MSD Decatur Twp. 5300</u>	
Transfer Tuition	\$377,634.51
Regular Transportation	33,463.50
Extracurricular Transportation	
Other Desegregation Costs	<u>275,158.32</u>
Total	\$686,256.33

<u>Franklin Township 5310</u>	
Transfer Tuition	\$287,003.73
Regular Transportation	25,000.00
Other Desegregation Costs	<u>200,825.54</u>
Total	\$512,829.27
<u>MSD Perry Twp. 5340</u>	
Transfer Tuition	\$998,862.51
Regular Transportation	358,678.43
Other Desegregation Costs	<u>484,973.38</u>
Total	\$1,842,514.32
<u>MSD Wayne Twp. 5375</u>	
Transfer Tuition	\$1,293,154.66
Regular Transportation	114,578.27
Other Desegregation Costs	<u>301,521.21</u>
Total	\$1,709,254.14
<u>Indianapolis Public 5385</u>	
Transition Support	<u>\$0.00</u>
Total	\$0.00

Pursuant to the Federal Court Order, section 5(a)(1), the State shall repay itself from the state support due the Indianapolis Public Schools the lesser of the total amount of transfer tuition payable to all receiving corporations or certain state and local revenues for the students transferred. Accordingly, the July tuition support payment to the Indianapolis Public Schools will be decreased by \$ 1,949,523.25.

Auditor Tim Berry moved to approve the distributions, Treasurer Richard Mourdock seconded, the distributions were unanimously approved.

TRANSFER OF FUNDS TO THE INDIANAPOLIS DESEGREGATION FUND

The Indiana Department of Education (DOE) requested a transfer of \$457,000.00 from DOE's Tuition Support Fund (14930) to the IPS Desegregation Court Order Appropriation (17480). The transfer is for the recovery of prior year overpayments to Indianapolis Public Schools (IPS) for desegregation expenses. Tuition support payments for IPS have been reduced accordingly and are being transferred to the desegregation fund. This installment represents the first recovery period of March through June. The remaining recovery amount of \$685,000.00 for prior year overpayments to IPS for desegregation expenses will occur in December of 2012.

Treasurer Richard Mourdock moved to approve the transfer, Auditor Tim Berry seconded, the transfer was unanimously approved.

TRANSFER OF FUNDS TO THE DEPARTMENT OF NATURAL RESOURCES

The Indiana Department of Environmental Management (IDEM) requested a transfer of \$7,500.00 from the IDEM Environmental Management Operating Fund (41210) to the Indiana Department of Natural Resources (DNR). The money will be divided evenly: \$3,750.00 to DNR's General Administration Fund (12450) and \$3,750.00 to DNR's Oil and Gas Division Fund (38220). Per an MOU between the two agencies, IDEM is to transfer the above amount as assistance to offset the annual dues for the Council of Great Lakes Governors. The Council encourages Governors to work collectively to ensure that the entire Great Lakes region is both economically sound and environmentally conscious.

Treasurer Richard Mourdock moved to approve the transfer, Auditor Tim Berry seconded, the transfer was unanimously approved.

TRANSFER OF FUNDS TO THE INDIANA STATE BOARD OF ANIMAL HEALTH

The Indiana State Department of Agriculture (ISDA) requested a transfer of \$3,000.00 from ISDA's General Fund (10730) to the Indiana State Board of Animal Health (BOAH) Dairy/Drug Residue fund (38020). Pursuant to HEA 1129 (2012), BOAH was tasked with conducting a study of the issue of farmers selling unpasteurized milk to consumers. BOAH is conducting three day-long meetings to bring together representatives of the major industry sectors that would be impacted by any changes in raw milk laws and needs a facilitator to ensure the meetings run smoothly. The ISDA has offered to provide the funding to cover the cost of a facilitator.

Auditor Tim Berry moved to approve the transfer, Treasurer Richard Mourdock seconded, the transfer was unanimously approved.

TRANSFER OF FUNDS TO THE INDIANA DEPARTMENT OF NATURAL RESOURCES

The Indiana State Department of Agriculture (ISDA) requested a transfer of \$60,000.00 from ISDA's Field Days Event fund (44810) to the Indiana Department of Natural Resources (DNR) Donations fund (48610) for collaboration on the Conservation Reserve Enhancement and Healthy Rivers Initiative programs (under ISDA and DNR, respectively). These programs address water quality and wildlife issues, and this transfer will allow for the hiring of one full-time employee to assist with both programs.

Treasurer Richard Mourdock moved to approve the transfer, Auditor Tim Berry seconded, the transfer was unanimously approved.

TRANSFER OF FUNDS TO THE OFFICE OF THE LT. GOVERNOR

The Indiana Arts Commission (IAC) requested a transfer of \$87,581 to the Office of the Lt. Governor (LG). This is a refund of unused grant funds made to Indiana Artisan, Inc. to promote locally-crafted products and provide training and networking opportunities for small business owners. The transfer would return \$87,581 from the IAC's Rural Economic Development Grant fund (48552) to the LG's Rural Economic Development fund (30456).

Auditor Tim Berry moved to approve the transfer, Treasurer Richard Mourdock seconded, the transfer was unanimously approved.

TRANSFER OF FUNDS TO THE OFFICE OF MEDICAID POLICY AND PLANNING

The Department of Education (DOE) requested a transfer of \$369,561.61 from DOE's Tuition Support fund (14930) to the Family and Social Services Administration's Office of Medicaid Policy and Planning (OMPP) fund (15050). Per an MOU between the two agencies, the DOE is to transfer the State share of school-based Medicaid payments to OMPP.

Treasurer Richard Mourdock moved to approve the transfer, Auditor Tim Berry seconded, the transfer was unanimously approved.

TRANSFER OF FUNDS TO THE DEPARTMENT OF HEALTH

The Family and Social Services Administration's (FSSA) Division of Aging requested a transfer of \$120,000.00 from the In-Home Services (CHOICE) fund (15770) to the Indiana State Department of Health's (ISDH) State Senior Farmers' Market fund (41266). Per an MOU between the two agencies, FSSA is transferring this money to ISDH to expand access to the Senior Farmers' Market Nutrition Program (SFMNP).

Treasurer Richard Mourdock moved to approve the transfer, Auditor Tim Berry seconded, the transfer was unanimously approved.

TRANSFER OF FUNDS TO THE STATE BUDGET AGENCY

The Bureau of Motor Vehicles (BMV) requested a transfer of unobligated funding to the State Budget Agency. Per an MOU between the two agencies, the BMV requests a transfer of \$27,000,000.00 from the Motor Vehicle Commission fund (legal fund 3590) and \$1,500,000.00 from the Financial Responsibility and Compliance Fund (legal fund 2810) to the State Budget Agency's Adjustments to Surplus fund (10460).

Treasurer Richard Mourdock moved to approve the transfer, Auditor Tim Berry seconded, the transfer was unanimously approved.

TRANSFER OF FUNDS TO THE OFFICE OF MEDICAID POLICY AND PLANNING

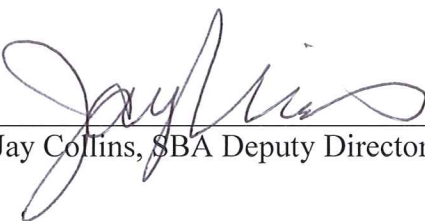
The Indiana State Department of Health (ISDH) requested a transfer of \$917,551.00 from the Community Health Centers fund (30420) to the Family and Social Services Administration's Office of Medicaid Policy and Planning fund (15050). Per an MOU between the two agencies, ISDH is providing funds for the behavioral health integration model in HealthNet Federally Qualified Community Health Centers.

Auditor Tim Berry moved to approve the transfer, Treasurer Richard Mourdock seconded, the transfer was unanimously approved.

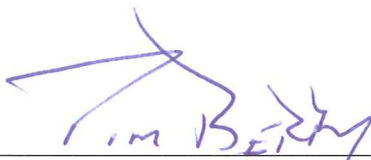
NEW OR OTHER BUSINESS

No new or other business to come before the Board.

ADJOURNMENT

A handwritten signature in black ink, appearing to read "Jay Collins", written over a horizontal line.

Jay Collins, SBA Deputy Director

A handwritten signature in blue ink, appearing to read "Tim Berry", written over a horizontal line.

Tim Berry, State Auditor

A handwritten signature in black ink, appearing to read "Richard Mourdock", written over a horizontal line.

Richard Mourdock, State Treasurer